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No. 93-1577

In The

Supreme Court of the United States

October Term, 1994

QUALITEX COMPANY,

Petitioner,

v.

JACOBSON PRODUCTS CO., INC.,

Respondent.

On Writ Of Certiorari
To The United States Court Of Appeals
For The Ninth Circuit

BRIEF FOR RESPONDENT

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QUESTION PRESENTED

1. Whether the Lanham Act prohibits the registration of color as a trademark.

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BRIEF FOR RESPONDENT

STATEMENT

This Court has granted certiorari on one issue: whether the Lanham Act prohibits the registration of color as a trademark. Respondent would answer "no." It is not arguable that the Lanham Act allows the registration of color as a trademark, when the use of color functions as a trademark. That is the essence of this case. What is a trademark within the meaning of the registration provisions of the Lanham Act? Petitioner, seeking registration of what amounts to trade dress only, argues that the product itself may function as its own trademark. Rather than seeking to protect color as part of a design,

symbol, device, logo or brand name intended to *evoke* the product, the classic function of a trademark, Petitioner seeks, in essence, the right to trademark the product itself. Petitioner seeks an unwarranted, unnecessary and anti-competitive extension of the Lanham Act which should be rejected by this Court.

(A) Statement Of Facts Relevant To Issues

Qualitex is a closely held corporation based in Chicago, Illinois, that has been engaged in the manufacture and sale of various products for dry cleaners, laundries and garment manufacturers (C.T 74, ¶2). One of the products manufactured by Qualitex is a press pad (*id.*). Press pads are long pads (the most commonly used size is 42") that fit over the steel steam-delivering plate of a commercial steam press, known as a "buck" (C.T. 72, ¶10; C.T. 73, ¶14). The various components of the pads are: a heavy cover cloth, typically colored, made of a durable yarn able to withstand high temperatures, an interior comprised of a slab of foam rubber and a slab of fiberglass, and a bottom cloth, usually lighter and less durable than the cover cloth but heat resistant. (*Id.*; C.T. 73, ¶¶14-15). Qualitex is considered the leading manufacturer of quality press pads in United States. The brand name of the Qualitex press pad is the "Sun Glow" pad. In 1959, Qualitex registered the name "Sun Glow" as a trademark on the Principal Record (*Trial Exhibit* 98). Indeed, the name "Qualitex" itself is a registered trademark (R.T., Vol. I, 74:12-80:23-25), and both registered marks are used on the Qualitex press pad packaging (*see, e.g., Trial Exhibit* 80A and 84A).

In the 1950's, Qualitex has used the green-gold color on its pads since sometime prior to 1965. However, Qualitex does not use the alleged unique color in its packaging. Instead, it uses a much darker forest green color, markedly different than the color of the press pad itself (R.T., Vol. I, 60:10-13; *Trial Exhibit* 80A). At no time prior to filing suit against Jacobson did Qualitex attempt to register the alleged unique green-gold color as a trademark on the Principal Register (R.T., Vol. I, 81:5-9).

Jacobson Products Co., Inc. is also a longtime and very well-known manufacturer of products for the commercial laundry and dry cleaning business (C.T. 72, ¶2; C.T. 73, ¶2). Jacobson's best known product is one of its own patented inventions, known as the "Magic Ironing Shoe". The ironing shoe, consisting of a teflon coat laminated to a metal frame, slips over the business end of steam irons and enables a much smoother travel over the article being ironed (C.T. 72, ¶3; C.T. 73, ¶3). Indeed, the Jacobson "Magic" ironing shoe and other products manufactured by Jacobson have been so internationally successful that even Harry Campagna, the President of Qualitex, admitted at trial that the word "Magic" has become almost exclusively associated with Jacobson Products in the laundry and drycleaning business (*id.*; R.T., Vol. I, 107:16-108:17).

In 1989, Jacobson decided to get into the press pad business (C.T. 72, ¶4). The decision was a logical extension of Jacobson's product line. Because Jacobson manufactures so many products for the dry cleaning and laundry business, Jacobson's customers often inquired whether Jacobson sold press pads (C.T. 73, ¶5).

Jacobson was determined to compete fairly with Qualitex, and to that end sought to obtain the identical component parts for its press pads as those used by Qualitex (*id.*, ¶¶6-7). Because of the long association of the word "Magic" with Jacobson products, Jacobson decided to call its press pad the Jacobson "Magic Glow" press pad (C.T. 73, ¶3). Jacobson also decided to obtain the same cover cloth as that used by Qualitex because the cloth was of high quality and very durable (*id.*, ¶¶6-7) and because the color was popular (*id.*, ¶12).

Jacobson carefully labeled his boxes with "Jacobson Magic Glow" labels that clearly identified the source of the goods (*Trial Exhibit* 25). Jacobson carefully advertised his press pad as the "Jacobson Magic Glow" pad in print media (*Trial Exhibit* 61). At no time did Jacobson believe that he was deceiving the public or was passing his press pad product off as that of Qualitex (C.T. 72, ¶¶9, 13; C.T. 73, ¶13) merely because the two pads were made of the same color. Nevertheless, the District Court found, and the Ninth Circuirt affirmed, that Jacobson had violated the provisions of Section 43(a) of the Lanham Act (15 U.S.C. §1125(a)) (hereinafter "Section 43(a)") by duplicating the color of the Qualitex press pad.

SUMMARY OF ARGUMENT

Decades of jurisprudence evidences that the rule denying trademark recognition for mere product color is settled law that should not be lightly swept aside by an unnecessary extension of the Lanham Act. The reasons

cited by numerous courts in support of this rule are as valid today as ever.

The use of color in the case at bar does not present a "trademark" use of color permitting registration thereof under the Lanham Act. The color sought to be registered by Qualitex is not a brand, logo, symbol, device or design which evokes the product, but trade dress consisting of a sensory element of the product itself, color, that was found by the District Court and the Ninth Circuit to be protectable under Section 43(a). Trade dress already enjoys substantial protection under Section 43(a). To extend registration rights under the Lanham Act to mere product color is therefore not only not necessary, such a decision would be inherently anti-competitive and would constitute an unwarranted extension of the Lanham Act itself by judicial legislation.

The use of color in the press pad industry is necessary for the salability of the product itself. Because the use of color in the instant case was and is, therefore, purely functional, the right to register the color used by Qualitex in the case at bar should be denied.

The traditional grounds for denying registration of color *per se*, including shade confusion and color depletion, are not trivial or outmoded and must be seriously considered in determining whether product color alone is entitled to registration as a trademark under the Lanham Act.

ARGUMENT

I. THE LANHAM ACT SHOULD NOT BE CONSTRUED TO PERMIT REGISTRATION OF COLOR *PER SE*

A. Decades of Jurisprudence Have Established That Mere Product Color Is Not Entitled to Trademark Recognition

Jacobson would submit that there is a degree of imprecision in the briefs of Petitioner Qualitex and Amici as to the legal issue presented to this court. The Brief Amicus Curiae filed by the Bar Association of the District of Columbia discusses "single color marks."[1] Amicus The B.F. Goodrich Company discusses "color trademarks."[2] Jacobson agrees that color may be protected as a trademark under the Lanham Act. Jacobson, however, disagrees with the proposition asserted by Qualitex in this case – that the color of the product itself may be so registered, granting the registrant a monopoly on such color virtually for all time.

A color *per se* is a color used in a uniform, nondistinctive manner and not in connection with any definite or arbitrary symbol or design. McCarthy, *Trademarks and Unfair Competition*, §7.26 (2d Ed. 1984) (hereinafter "McCarthy"). Professor McCarthy distills the case law on this issue with this emphatic statement: "A color, *per se*, is not capable of appropriation as a trademark. That is, one seller cannot feature a certain color and claim 'This is my

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[1] Brief Amicus Curiae For The Bar Association Of The District Of Columbia, p. 2.

[2] Brief Amicus Curiae For B.F. Goodrich & Co., p. 10.

color. No one else in the trade can use this color.' " McCarthy, §7.16.[3] Save for a few distinguishable exceptions, this statement represents a rule of law that has support in decades of jurisprudence and should not be lightly discarded by this Court.

In 1920, more than two decades before the enactment of the Lanham Act, this Court held that "coloring matter is free to all who make it if no extrinsic deceiving element is present." *Coca-Cola Co. vs. Koke Co.*, 254 U.S. 143, 147, 41 S.Ct. 113, 114, 65 L.Ed. 189 (1920). That statement of law was correct then, and it is correct today. In *Gillette Safety Razor Co. vs. Triangle Mechanical Laboratories Corp.*, 87 F.2d 699 (E.D.N.Y. 1933), a pre-Lanham Act District Court followed this line and held that "a concern, however, must clearly identify its product by something more distinctive and individual than mere color . . . color itself is free." Again, in *Radio Corporation of America v. Decca Records*, 51 F.Supp. 493, 495 (S.D.N.Y. 1943), the District Court held that color must be used in the form of a design to constitute a trademark and that a record manufacturer could acquire no trademark rights in the color red not used in or as part of a design "for color qua color may not be a trademark."[4]

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[3] See, also, 3 R. Callman, *The Law of Unfair Competition Trademarks and Monopolies* §18.13 (4th Ed. 1983): " . . . the law is well settled today that the overall color of a product . . . cannot be a trade identity designation, nor is it entitled to registration."

[4] Other decisions of the Court of Customs and Patent Appeals and District Courts followed this well-recognized rule. *In re Canada Dry Ginger Ale*, 86 F.2d 830, 833 (CCPA 1936), ("a mark is not registrable if color alone is its distinguishing characteristic.") See, also, *In re L.E. Waterman Co.*, 34 App.D.C.185

Even after the Act, virtually all circuit courts that have confronted the "color *per se*" issue have continued to give vitality to the rule prohibiting registration for mere product color.[5] In *In re Swift & Co.*, (CCPA 1955), citing *Campbell Soup Co. vs. Armour & Co.*, 175 F.2d 795, 798, 81 U.S.P.Q. 430, 433 (3d Cir. 1949), the court noted the "well settled rule that trademark rights cannot be acquired in color alone." In *Plastilite Corp. vs. Kassnar Imports*, 508 F.2d 824, 826, 184 U.S.P.Q. 348, 350 (CCPA 1975), that Court stated "Color or colors used as mere surface decoration cannot be monopolized by a claim to trademark rights therein."

Jurisprudence dating back to the turn of the century evidences that the rule denying trademark protection to mere product color is settled law which should not be lightly swept aside, particularly when the Lanham Act already provides substantial protection for color, both as an element of device, design, symbol or logo, or when functioning as trade dress.

(1909) (color of fountain pen not protectable); *Shaeffer Pen Co. vs. Coe*, 27 F.Supp. 380 (D.C. 1939) (plating in a particular color not protectible).

[5] *Dallas Cowboy Cheerleaders, Inc. vs. Pussycat Cinema, Ltd.*, 467 F.Supp. 366, 374 (S.D.N.Y 1978), *aff'd* 604 F.2d 200 (2d Cir. 1979); *Norwich Pharmacal Co. vs. Sterling Drugs, Inc.*, 271 F.2d 569, 572, 123 U.S.P.Q. 372, 375 (2d Cir. 1959) (pink medicinal liquid) *cert. denied* 362 U.S. 919, 80 S.Ct. 671, 4 L.Ed. 671 (1960); *Campbell Soup Co. vs. Armour & Co.*, 175 F.2d 795, 798, 81 U.S.P.Q. 430, 433 (3d Cir. 1949) (no exclusive use of half red and white; one cannot acquire a trademark in color alone); *North Shore Laboratories Corp. vs. Cohen*, 721 F.2d 514, 523 (5th Cir. 1983) (courts have uniformly rejected sanctioning exclusive rights to product color).

B. The Lanham Act Already Protects Color When Color Functions as a Trademark as an Element of Design, Symbol or Device Intended to Be Source-identifying

Because the Lanham Act itself already protects color when color is employed as a trademark, there is no need to discard decades of jurisprudence in order to extend registration rights to mere product color. Color is protectable under the Lanham Act when color is included as an *element* of a trademark. As stated by the Ninth Circuit in *Mershon Co. vs. Pachmayr*, 220 F.2d 879, 883 (9th Cir. 1955): "We do not hold that color alone can be protected as a mark, but certainly color can be an element of a mark . . . 'if it be impressed in a particular design as a circle, square, triangle, a cross or a star,' " quoting from *Leschen & Sons Rope Co. vs. Broderick*, 201 U.S. 166, 171, 26 S.Ct. 425, 426, 50 L.Ed. 710 (1906). This rule of trademark law has wide acceptance in the circuit courts.[6] In *First Brands Corporation vs. Fred Meyer Inc.*, 809 F.2d 1373, 1382 (9th Cir. 1987), the Ninth Circuit, declining to follow the Federal Circuit's decision in *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116 (1st Cir. 1987), summarized the rule as follows: "Other than in extraordinary situations such

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[6] See, e.g., *In re Data Packaging Corp.*, 453 F.2d 1300, 1303, 172 U.S.P.Q. 396, 398 (CCPA 1972); *In re Todd Co.*, 290 F.2d 597, 600, 129 U.S.P.Q. 408, 410 (CCPA 1961); *In re Hehr Manufacturing Co.*, 279 F.2d 526, 528, 126 U.S.P.Q. 381, 383 (CCPA 1960); *Quabang Rubber Co. vs. Fabiano Shoe Co.*, 567 F.2d 154, 161, 195 U.S.P.Q. 689, 694 (1st Cir. 1977); *Campbell Soup Co. vs. Armour & Co.*, 175 F.2d 795, 798, 81 U.S.P.Q. 430, 433 (3d Cir. 1949); *Life Savers Corp. vs. Curtiss Candy Co.* 182 F.2d 4, 9, 85 U.S.P.Q. 440, 443 (1950); *First Brands Corporation vs. Fred Meyer, Inc.*, 809 F.2d 1373, 1382 (9th Cir. 1987).

as that presented in *Owens-Corning*, the general rule remains that an element of distinctiveness of shape in combination with the color still exists before a trademark will be granted." Professor McCarthy explains that "It is a matter of degree how well defined must be the design . . . upon which the color is imposed. The use of color merely as a background on a package . . . is usually rejected as having no trademark significance." McCarthy, *supra*, §7.17 (citing numerous cases).

The Act itself echoes this rule of law. Section 45 of the Lanham Act (15 U.S.C. §1127) defines a trademark as including "any word, name, symbol or device, or any combination thereof." No matter how much the words of the statute are tortured, color *per se*, that is, the color of the product itself, is neither a word, name, symbol or device and is thus not capable of registration, nor did Congress clearly intend in its 1988 Revisions to the Lanham Act that mere product color itself constitutes a "symbol" or "device" within the meaning of Section 45 of the Lanham Act (15 U.S.C. §1127).

Both Respondent and Amici make much of the 1988 revisions to the Lanham Act and point specifically to the Senate Report accompanying the 1988 legislation as proof that Congress intended to include "color" in the terms "symbol" or "device".[7] The Senate Report, however, begs the question before the court. Respondent Qualitex notes

[7] S. Rep. No.100-515, 100th Cong., 2d Sess. 44 (1988) *reprinted in* 1988 U.S.C.C.A.N. 5577, 5607. It is entirely unclear from the quoted language that this statement can be interpreted as a wholesale adoption of the principal advanced by Qualitex in this case.

that the Senate Report accompanying the 1988 Revisions provides that the Senate "intentionally retained . . . the words 'symbol or device' so as not to preclude the registration of colors *when they function as trademarks*".[8] Mere product color is not a "symbol" or "device" and is not a "trademark" use of color.

Similarly, while the PTO continues to entertain applications for "color mark" registrations, the *sine qua non* of registration of color in the PTO is whether the use of color functions as a trademark.[9] Jacobson would submit that mere product color alone does not and cannot "function as a trademark."

C. Color per Se Does Not Represent a "Trademark" Use of Color and Should Be Denied Registration Under the Lanham Act

The argument advanced by Qualitex fails to distinguish between a "trademark" and "trade dress". While a "trademark" is statutorily defined in the Lanham Act, "trade dress" represents a completely different concept,

[8] It is noteworthy that the Federal Circuit's opinion in *Owens-Corning* had been published at the time of the 1988 legislation. Congress clearly had an opportunity to enact explicit provisions granting registration rights to mere product color or to trade dress but did not do so.

[9] Section 1202.04(e) of the United States Patent and Trademark Office, *Trademark Manual Of Examining Procedures* at p. 1202-13 states: "color can function as a trademark *if it is used on goods in the manner of a trademark and* if it is perceived by the public as identifying and distinguishing the goods on which it is used and indicating their source." (emphasis added)

even if trade dress may in appropriate circumstances be accorded all of the protection of a registered mark.

The Lanham Act defines a "trademark" as "any word, name, symbol or device . . . used by a person to distinguish his or her goods . . . " (15 U.S.C. §1127). "Trade dress" is the "overall image used to present it to purchasers; it could include, to give a partial list, the product's size, shape, color, graphics, packaging and label." *Vaughan Mfg Co. vs. Brikam Int'l, Inc.*, 814 F.2d 346, 348, n.2 (7th Cir. 1987). A trademark is something distinctive, a word, name, symbol, design or device, which *evokes* the product. It is not, and should not be defined or construed, as the *product itself*, even if the trade dress, i.e. color, of the product may be protectable under Section 43(a) Act.

Under the view advanced by Qualitex, there is no difference between the product and its trademark. In Qualitex's view, the product *is* the trademark. In 1972, the National Broadcasting Company ("NBC") was granted permission to register a purely audible sensory mark – the classic NBC "chimes" – to identify NBC's television broadcasts.[10] This example highlights when a sensory element can and does function as a trademark and when it does not. What differentiates the NBC audible mark from the color *per se* mark sought to be registered by Qualitex in the case at bar is that there was a distinction between the trademark in question – the chimes – and the product in question – NBC's television shows. The chimes

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[10] George Gottlieb, *In Case You Missed It. . . . "* 62 Trademark Rep. 605 (1972).

evoked the product. When one heard the chimes, he or she thought "NBC". The same is not true in the case at bar. Here, there is no distinction between the product and its alleged trademark. The Court should not construe the Lanham Act to provide that the product may constitute the manufacturer's registered mark.

D. Because Trade Dress Is Already Protectable under Section 43(a) of the Lanham Act, There Is No Need For an Unwarranted Extension of Registration Rights To Mere Product Color

Because the overall appearance of a product, including product color, is already protectable under Section 43(a) of the Lanham Act, there is simply no need for an unwarranted and anti-competitive extension of registration rights to mere product color.

Non-functional trade dress that is inherently distinctive, or which is not inherently distinctive but which has acquired secondary meaning, may be protected under the provisions of Section 43(a) of the Lanham Act (15 U.S.C. §1125(a)). *Two Pesos, Inc. vs. Taco Cabana, Inc.*, 112 S. Ct. 2753 (1993). Protectable trade dress actually provides the owner thereof with more protection than a claim for infringement of a registered mark. As noted in the Ninth Circuit's opinion in *Qualitex Co. vs. Jacobson Products Co., Inc.*, 13 F.3d 1297, 1303 (9th Cir. 1993): " . . . whereas in a registered trademark infringement case, the court must look at a *single* aspect of the product – the trademark itself – a court in a trade dress infringement case must look at the product as a whole. Therefore, it is possible to succeed on a suit for unfair competition even when there

is no registered trademark to begin with or even if no aspect of the package, taken alone, is registerable as a trademark."

Because the granting of a monopoly in product color through registration rights is inherently anti-competitive, and because sufficient protection already exists under the Lanham Act for mere product color, there is no compelling need to judicially legislate a right to register color per se under the Lanham Act.

E. The Owens-Corning Decision Is Distinguishable From the Case at Bar and its Holding Should Be Limited To the Facts of That Case

Qualitex relied heavily throughout this case on the Federal Circuit's decision in *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116 (1st Cir. 1987). The *Owens-Corning* case seems facially identical to the case at bar because it too involved the issue of mere product color. However, as noted by the Ninth Circuit in *First Brands Corp. vs. Fred Mayer, Inc.*, 809 F.2d 1373 (9th Cir. 1987), *Owens-Corning* presented an "extraordinary situation", 809 F.2d at 1382, not present in the case at bar.

In *Owens-Corning*, the Federal Circuit was faced with an unusual situation. Owens-Corning marketed fibrous glass residence insulation which it dyed pink. In considering whether to grant Owens-Corning a federal trademark registration for its color *per se*, the Court observed that the basis for the traditional mere color rule was the color depletion theory enunciated in *Campbell Soup Co. vs. Armour & Co.*, 175 F.2d 795, *cert. denied* 338 U.S. 847, 70 S. Ct. 88, 94 L.Ed. 518 (3d Cir. 1949). In that case, the Third

Circuit refused to protect the color red for Campbell soup can labels since competition would be affected *"in an industry where colored labels were customary." Owens-Corning, supra,* 774 F.2d at 1120 (emphasis added).

On the other hand, however, the use of color in the residential fibrous glass industry was not customary. Indeed, the Court noted, and Amici Owens-Corning itself states,[11] that Owens-Corning was and is the only manufacturer in the entire residential fibrous glass industry that dyes its insulation. *Id.* at p. 1122. Every other manufacturer sells insulation in its natural yellow color, and this had been the case for *29 years* at the time the *Owens-Corning* case was litigated. *Id.* at p. 1125. The record in *Owens-Corning* was manifestly devoid of evidence of any practice in the industry of dying insulation a color other than its natural color, *id.* at p. 1122, and there was no evidence that suggested there was any need to do so. *Id.*

The Federal Circuit reasoned that "in a case where there is *no competitive need* . . . for colors to remain available to all competitors, the color depletion argument is an unreasonable restriction on the acquisition of trademark rights." (emphasis added). *id.* at p. 1122. Where no competitor other than Owens-Corning had colored its insulation for *29 years*, the court did not believe that granting Owens-Corning a trademark for its color would hinder competition.

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[11] *Brief Amicus Curiae* of Owens-Corning Fiberglas Corp., p. 2.

Most importantly, the Court expressly held that the color depletion theory "is not faulted for appropriate application." *id.* at p. 1120. On the contrary, *Owens-Corning* continued to apply the color depletion theory to bar registration of color per se unless no competitive need existed for colors to remain available in a particular industry.

Owens-Corning is thus distinguishable from the case at bar and, because the facts in *Owens-Corning* were so unusual, the case should be limited to those facts. In the case at bar, the evidence at trial showed that *all* press pad manufacturers color their press pads because experience showed that they cannot sell a white pad. Because there is a competitive need for the use of color in the press pad industry, no one manufacturer should be entitled to exclusive use of any particular color.

II. Extension of Registration Rights under the Lanham Act to Mere Product Color Would Be Inherently Anti-Competitive

The legislative history of the Lanham Act states that the statutory scheme of trademark protection has three purposes: "to protect the public from deceit, to foster fair competition, and to secure to the business community the advantages of reputation and good will . . . "[12] In interpreting the Lanham Act, courts have struggled to balance the seemingly conflicting goals of consumer protection and the maintenance of the good will and reputation of a

[12] S. Rep. No. 1333, 79th Congress, 2d Sess., pt. 2 at p. 4 (1946) *reprinted in* 1946 U.S.C.C.A.N. 1274, 1227.

business, on the one hand, with reticence to interfere with legitimate competition, on the other.[13] In his dissent in *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1123 (1st Cir. 1987), Judge Jean Galloway Bissell stated that "The 'property' in a trademark is the right to prevent confusion, not to bar new entrants into the market." Similarly, in *Wallace Int'l Silversmiths, Inc. vs. Godinger Silver Art Co.*, 916 F.2d 76 (2d Cir. 1990), the Court, denying trademark protection for a sterling silver design, noted that "it is a first principal of trademark law that an owner may not use the mark as a means of excluding competitors from a substantial market."

Because the hallmark purpose of the Lanham Act is to prevent consumer confusion, the proper focus of the law should be on consumer confusion and not on the mere fact that two products may be made of the same color. This principal was recognized by this Court 54 years ago in the *Coca-Cola* decision, *supra*, p. 11. The Fifth Circuit commented in *North Shore Laboratories, Inc. vs. Cohen*, 721 F.2d 514, 523 (5th Cir. 1983) that:

> "Palming off is the proper issue, not color. Even though the 'mere inability of the public to tell two identical articles apart is not enough to

[13] Judge Markey, past Chief Judge of the Federal Circuit, reflected this dual concern when he stated in *James Burroughs, Ltd. vs. Sign of Beefeater Inc.*, 540 F.2d 266, 274 (7th Cir. 1976): "A 'trademark' is not that which is infringed. What is infringed is the right of the public to be free of confusion and the synonymous right of a trademark owner to control his product's reputation . . . The trademark laws exist to protect the consuming public from confusion, concomitantly protecting the trademark owner's right to a non-confused public."

> support an injunction against copying,' we recognize that the right to copy unpatented articles is not absolute. *Sears Roebuck & Co. vs. Stiffel* 376 U.S. at 232, 84 S.Ct. at 789 (1964). The Supreme Court suggests that when there is confusion as to who manufactured nearly identical goods, a court may appropriately require that the goods, whether patented or unpatented, be labeled or that other precautionary steps be taken to prevent consumers from being misled as to the source."

Despite whining from Qualitex, and other manufacturers, that resort to actions under Section 43(a), as was brought by Qualitex in the case at bar, is not enough, it is nevertheless noteworthy that Qualitex prevailed in its action against Jacobson under Section 43(a) and received all of the remedies which would have been available to Qualitex in an action for infringement of a registered mark.

Color is the most vital human sense. Jacobson agrees with Amicus Curiae Dr.Pepper/Seven-Up Corporation that "color is one of the few modes of communication which touches all but the few who cannot experience it. Color is an unspoken medium that transcends language, age, culture, social and educational barriers that otherwise inhibit or thwart communication."[14] It has been said that "Colors speak in all languages."[15] Because of the importance of this vital human sense, Dr. Pepper

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[14] Brief Amicus Curiae of Dr. Pepper/Seven-Up Corporation, at p. 10.

[15] Joseph Addison, *The Spectator* (1711-12) at p. 416.

observes that "color plays a dramatic role in the marketplace today."[16] It is precisely because color is such an important human sense and plays such a dramatic role in the ability of humans to perceive and understand the world around them that it would be completely inappropriate and inherently anti-competitive to grant any manufacturer of any product a complete monopoly for any particular color for their product. The issue is consumer confusion, not the mere duplication of color.

Several important cases have recognized the anti-competitive effect of granting a monopoly in product color. In *Nutrasweet Company vs. The Stadt Corp.*, 917 F.2d 1024 (7th Cir. 1990), the Seventh Circuit rejected a claim for trademark protection for blue colored packets of non-sugar table top sweeteners based, in part, on the anti-competitive effect that would result from permitting a manufacturer to sue another based merely on the duplication of product or packaging color without proof of deception: "It is likely, however, that if each of the competitors presently in the tabletop sweetener market were permitted to appropriate a particular color for its product, new entrants would be deterred from entering the market. The essential purpose of trademark law is prevent confusion, not to bar entrants into the market."[17]

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[16] *Id.* at pp. 10-11

[17] The Seventh Circuit in *Nutrasweet* explained the myriad difficulties should trademark protection be extended to mere "Nutrasweet urges this court to adopt a fact-driven standard which would require the trial court to scrutinize the tabletop sweetener market to determine the number of competitors in that market to determine whether there is a competitive need for the color blue to remain available. Such a standard would

In the case at bar, substantial evidence was introduced at trial to the effect that the use of color on press pads is essential to their salability.[18] This is because the pads are subject to high heat and become scorched and untidy in appearance. The use of color helps obscure the scorch and other marks inflicted on the pad during their use, which is why every press pad manufacturer colors their press pads. Given that there is a competitive need for the use of color in the press pad industry, and that the Qualitex "green-gold" has apparently been accepted as an appropriate color for press pads[19]. Manufacturers

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prove unworkable, for there is no way for a court to predict the likelihood of future competitors in a particular market." *Nutrasweet*, 917 F.2d at 1028. In his *Owens-Corning* dissent, Judge Bissel noted the practical problems as well. Describing a color is imprecise at best. Since Certificates of Registration are printed in black and white, 37 C.F.R. §2.52(e), and contain only code linings for color (pink and red being the same), allowing registration of color will only add to such imprecision and provide little notice to those who scrutinize the Principal Register to determine whether their proposed colors might infringe registered colors. *Owens-Corning*, at p. 1131.

[18] The deposition of Harvey Davis, the now deceased owner of Bishop-Freeman Company, located in Evanston, Illinois was introduced at trial in lieu of Mr. Davis's direct testimony. Bishop-Freeman is a leading manufacturer of press pads. Mr. Davis testified that "If you use a white cover, for example, you wouldn't sell it." *Deposition of Harvey Davis*, 52:15-53:15.

[19] Qualitex's strength in the marketplace raises substantial questions as to whether the "green-gold" color used for its press pads may be or has become generic for press pads and highlights the anti-competitive nature of permitting Qualitex registration rights for its color. Generic marks are not registerable under the Lanham Act. *Two Pesos, Inc. vs. Taco Cabana, Inc.*, 112 S. Ct. 2753, 2757 (1992). In his dissent in *Owens-Corning*, Judge

should be entitled to compete based on the merits and quality of their product, not on the basis of whether the products are made of the same color.

III. Color Depletion and Shade Confusion Are Not Trivial Or Unimportant Concerns in Determining Whether to Grant Registration Rights for Mere Product Color

The color depletion theory, and inherent difficulties in making distinctions between different shades of color, two historical reasons for denying trademark rights to mere product color, are not trivial concerns as Qualitex and Amici have argued. The color depletion theory was described by the court in *Campbell Soup Co. vs. Armour & Co.*, 175 F.2d 795, 798 (3d Cir. 1949), a case where the court held that Campbell Soup Co. was not entitled to register the red and white background of its soup cans: " . . . if they may thus monopolize red in all of its shades, the next manufacturer may monopolize orange in all of its shades and the next yellow in the same way. Obviously, the list of colors would soon run out." There is substantial and continuing truth to that statement. While Qualitex and Amici argue that the human eye is capable of perceiving thousands of hues, in reality many, if not

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Bissel noted the same problem involving the pink color of Owens-Corning's insulation product: " . . . by reason of the dominance of Owens-Corning in the field . . . pink insulation has become virtually synonymous with home insulation. Thus, new entrants may be unable to effectively compete if barred from making pink insulation." *Owens-Corning*, at p. 1130.

most such hues, are so close as to be virtually indistinguishable.

Shade confusion is also a substantial concern in determining whether to grant registration rights to mere product color. Many factors, other than the product color itself, may influence a persons perception of color. For example, ambient light plays a crucial role in the perception of color.[20] The combination of wavelengths in sunlight changes throughout the day. When a person views an object, he or she perceives a combination of the color wavelength of the object and the light reflected from that object. The same rule of physics applies even if the ambient light is artificial. Because of these factors, judging color can be problematic. No color looks alike to the same two people, and can color appear different to the same person under different viewing conditions.[21] Courts are ill-equipped to deal with such elusive concepts as the perception of color, and shade confusion issues are far more difficult to resolve, and far different from, the determination of the similarity of words or symbols. Trademark infringement should not degenerate into competing spectroscopic analysis of color samples.

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[20] See, *inter alia, PC Magazine,* Issue dated May 14, 1991, discussing color theory while explaining how color monitors work.

[21] *Id.* See, also, *Restaurant Business Magazine,* Oct. 10, 1991 issue, discussing appropriate color schemes for restaurant interiors: "Second, the perception of color changes with the distance from that color so be sure to view tabletop options from the customer's vantage point. Third, color should always be chosen under relevant lighting conditions, because different light sources change our perception of color."

It is noteworthy that Qualitex seeks to protect hues other than its green-gold color. Qualitex requested and obtained an injunction not only against Jacobson's use of the same green-gold color, but also as hues that cannot be "easily distinguished from the Qualitex color by the casual user." (*Joint Appendix,* Appendix E). How close must the hues be before infringement is found?

IV. Because There Is A Competitive Need For Color In The Press Pad Industry, The Use Of Color For Press Pads Must Be Viewed As Functional And Not Capable Of Registration.

It is axiomatic that functional features of a product design or trade dress may not be registered or recognized as trademarks. *Two Pesos, Inc. vs. Taco Cabana, Inc.* 112 S. Ct. 2753 at p. 2758 (citing numerous cases). Nor are functional features of an article protectable under the law of unfair competition. *Pope Automatic Machinery Co. v. McCrum-Howell Co.,* 191 F.2d 979 (7th Cir. 1911) cert. denied 223 U.S. 730, 56 L.Ed. 633, 32 S.Ct. 527. The basis for the rule of "functionality" is to avoid a clash with the objective of the federal patent law which is to protect functional inventions. A person not entitled to a patent under federal patent law should not be entitled to circumvent the patent law by calling a functional feature his "trademark". *Id.*

In determining functionality, a product's trade dress must be analyzed as a whole. As stated by this Court in *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.* 456 U.S. 844, 850 n.10, 102 S.Ct. 2182, 2187 n.10, 72 L.Ed.2d 606 (1982):

> "A product feature is functional if it is essential to the [products] use . . . or if it affects the cost or quality of the article".

The color of the Qualitex press pad is functional and not protectable because, as argued above, (1) color serves a utilitarian purpose other than as solely a source identifying feature and (2) there is a competitive need for color in the press pad industry. Qualitex argues that the color of its pad is "not legally functional" because the selection of such color was "arbitrary", graciously suggesting that many other colors are and can be used on the press pads sold by other manufacturers. Qualitex also argues that the Qualitex green-gold color is more expensive to produce than other colors, so that by using another color, Jacobson would be able to "compete more effectively". Like Nutrasweet in the *Nutrasweet v. Stadt Corp, supra,* Qualitex argues that its color serves no other purpose than to identify its goods. However, the evidence shows that this is simply not the case. The deposition testimony of Mr. Campagna and Mr. Davis, cited above, proved that the use of color for press pads serves a utilitarian purpose other than source identification. The use of color maintains the neat appearance of the pad. As Mr. Davis put it, *"If you use a white cover, for example, you wouldn't sell it."* (*Deposition of Harvey Davis,* 52:15-53:15). If the product feature in question is vital to the saleability of a product, Jacobson would submit that such a feature is functional *per se*. Under any definition of functionality, the color *per se* of the Qualitex pad is functional and thus not protectable as a trademark.

V. CONCLUSION

It is simply not necessary for this Court to engage in judicial legislation by extending registration rights under the Lanham Act to mere product color. Trade dress has never been capable of registration even if trade dress is capable of protection under Section 43(a) of the Lanham Act. Section 43(a) provides ample protection for mere product color without providing the anti-competive effects of a registered mark. Competitors who take sufficient steps to avoid public confusion or false designation of origin should be allowed to compete based on the quality of their merchandise, not based on such artificial factors as whether the products are made of the same color. In addition, the anti-competitive effect of color depletion and the inherent difficulties in determining shade confusion further compel the conclusion that mere product color should not accorded trademark recognition. As stated by Oliver Wendell Holmes in *Vegelahn vs. Guntner,* 167 Mass. 92, 44 N.E. 1077, 1080 (1896), "Free competition is worth more to society than it costs."

For all of the above reasons, this Court should affirm the opinion of the Ninth Circuit and affirm the cancellation of Qualitex's federal registration.

Respectfully submitted,

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